

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

March 14, 2000

LB 1379

the most interesting chart, though, is the one that is behind that that's called a Comparison of Maximum Pell Grant and 20 hours of work as it relates to the cost of an undergraduate education. And what this does show you, if you take a close look at it, over in the left-hand column it shows an example of the university budget, this is UNL budget; you can see it starts out with the year 1979-80 where the cost of the undergraduate was about \$3,300 a year, and then if you just go straight down that column, you can see that as of last year that annual cost had increased to a little over \$10,000. Looking across the chart and starting up in 1979, for example, you will see of that \$3,300 of cost, a student could get a Pell Grant at that point in time for \$1,800 which paid for about 54 percent of their costs, and then if they worked at the minimum hourly wage for 20 hours they could make another \$1,856 which was another 56 percent of their costs. So between working and the federal grant, they could pretty much do the cost of their education back in 1979-1980. But slipping down to the bottom of the chart and going across, you'll see that the amount they have to make is \$10,000...over \$10,000 of costs. The maximum Pell Grant these days is about \$3,100, and if they work at the minimum wage for 20 hours they'd make another, about \$3,300, so that totally those two things together, they can only...they can only earn about 62 percent of the total cost of their education as opposed to 100 percent some years ago. So the debt loads are increasing on students, and the loan programs have not kept up with those debt loads, and especially in Nebraska we have not kept up with some reasonable assistance to kids of low income trying to get to and through the university system. And, as you know, that university education is becoming more and more important all the time. So there will be an A bill after this, so we can talk about the financial aspect of it, but the bill itself, LB 1379 itself merely expands the new money, the use of the new money that would be put into the system to the community colleges and, insofar as their transfer programs are concerned, and to the state colleges. That's the only thing that the bill does. Thank you.

PRESIDENT MAURSTAD: Thank you, Senator Beutler. Discussion on the advancement of LB 1379? Senator Beutler, you're recognized to close. Senator Beutler waives closing. The question is the advancement of LB 1379. Those in favor vote aye, those opposed